APPENDIX I

OTHER STATUTES

FEDERAL:

(1) The first Organic Act for the Islands, the "Foraker Act", also provided (Secs. 76, 77 and 79, Act of July 1, 1902, *supra,* 39 Stat. at p. 710; 48 U. S. Code, 1141-1146):

> "Sec. 76. That the government of the Philippine Islands is hereby authorized to establish a mint at the City of Manila, in said Islands, for coinage purposes, and the coins hereinafter authorized may be coined at said mint. And the said government is hereby authorized to enact laws necessary for such establishment: *Provided,* That the laws of the United States relating to mints and coinage, so far as applicable, are hereby extended to the coinage of said Islands.
>
> "Sec. 77.[23] That the government of the Philippine Islands is authorized to coin for use in said Islands a coin the denomination of 50 centavos * * *, a coin of the denomination of 20 centavos * * *, and a coin of the denomination of 10 centavos * * *; and the standard of said silver coins shall be such that of one thousand parts, by weight, nine hundred shall be * * *.
>
> "Sec. 79. That the government of the Philippine Islands is also authorized to issue minor coins of the denominations of * * *."

(2) By the Act of March 2, 1903, c. 980, 32 Stat. 952, "An Act To establish a standard of value and to provide for a coinage system in the Philippine Islands", the Congress established an entirely separate system of coinage and currency for the Islands. Pertinent provisions are:

> (Section 1) "That the unit of value in the Philippine Islands shall be the gold peso consisting of * * * shall be legal tender for all debts, public and private, in the Philippine Islands."
>
> "Sec. 2. That in addition to the coinage author-

[23] As amended by Sec. 4 of the Act of Congress of March 2, 1903, c. 980, Secs. 4, 32 Stat. 952, 953.

ized for use in the Philippine Islands by the Act of July 1, 1902" (the "Foraker Act", first Organic Act for the islands, *supra*) "the government of the Philippine Islands is authorized to coin to an amount not exceeding seventy-five million pesos for use in said islands, a silver coin of the denomination of one peso and of the weight * * *.

"Sec. 3. That the silver peso authorized by this Act shall be legal tender in the Philippine Islands * * *."

"Sec. 8." (as amended by Sec. 2, Act of February 6, 1905, and by Act of June 23, 1906). "That the Treasurer of the Philippine Islands is hereby authorized, in his discretion, to receive in the Treasury of the government of the said islands of any of its branches deposits of the standard silver coins of one peso authorized by this Act to be coined, in sums of not less than twenty pesos, Philippine currency, and to issue certificates therefor in denominations of * * *. Such certificates shall be receivable for customs, taxes, and for all public dues in the Philippine Islands * * *, and when held by any banking association in said islands may be counted as a part of its lawful reserve * * *: *Provided further,* that the amount of gold coin held in such reserve shall not at any time exceed sixty per centum of the total amount of certificates outstanding."

(3) By the Act of February 9, 1903, c. 529, 32 Stat. 806, it was provided:

"That the provisions of Section 1014 of the Revised Statutes, so far as applicable shall apply throughout the United States for the arrest and removal therefrom to the Philippine Islands of any fugitive from justice charged with the commission of any crime or offense against the United States within the Philippine Islands, and shall apply within the Philippine Islands for the arrest and removal therefrom to the United States any fugitive from justice charged with the commission of any crime or offense against the United States. Such fugitive may, by any judge or

magistrate of the Philippine Islands, * * * be arrested and * * *."

"Sec. 2. That the provisions of Sections 5278 and 5279 of the Revised Statutes, so far as applicable, shall apply to the Philippine Islands, which, for the purposes of said sections, shall be deemed a Territory within the meaning thereof."

(4) By the Act of February 6, 1905, c. 454, 33 Stat. 698, entitled "*An Act to Extend Certain Provisions of the Revised Statutes of the United States to the Philippine Islands*", it was provided:

"That the provisions of Sections 5270, 5271, 5272, 5273, 5274, 5275, 5276, and 5277 of the Revised Statutes (as amended by the Act approved August 3, 1882), so far as applicable shall apply to the Philippine Islands for the arrest and removal therefrom of any fugitives from justice charged with the commission within the jurisdiction of any foreign government of any of the crimes provided for by treaty between the United States and such foreign nations, and for the delivery by a foreign government of any person accused of a crime committed within the jurisdiction of the Philippine Islands."

"Sec. 2. That the provisions of Sections 5409 and 5410 of the Revised Statutes are hereby made applicable to proceedings in extradition from the Philippine Islands, either to the United States * * *, or to foreign countries under the provisions of this Act."

(5) By the Act of January 18, 1907, c. 153, 34 Stat. 850, the Congress directed:

"That the Superintendent of Documents is hereby authorized and directed to supply one copy of each document delivered to him for distribution to State and Territorial libraries and designated depositories to the Library of the Philippine government, * * *."

(6) By the Act of March 4, 1907, "An Act to provide for the establishment of an agricultural bank in the Philippine Islands", c. 2908, 34 Stat. 1282, the Congress provided:

> "That for the purpose of aiding in the establishment and operation of such an agricultural bank in the Philippine Islands as the general government thereof may hereafter specifically authorize the Philippine government is empowered to guarantee an income of not exceeding four per centum per annum upon cash capital actually invested by individuals or corporations in such agricultural bank; such guarantee shall be granted by an Act of the Philippine Commission which shall contain, among others, the following provisions:
>
> "First. The guaranty shall be made to a company organized under the laws of the Philippine Islands, with its principal office in Manila and with branches in such parts of the islands as may be designated by the Philippine Commission.
>
> "Second. The bank shall not grant loans except to those engaged in agricultural * * *.
>
> "Third. No loan exceeding in amount five thousand dollars shall be made except upon the written authorization of the Secretary of Finance and Justice of the Philippine Islands.
>
> "Fourth. Interest charge on loans shall not exceed ten per centum per annum: * * *
>
> "For the further security of the Philippine Government said government shall provide by the aforesaid Act proper rules, including those for determining the actual cash capital invested in such banks and the net income * * *."

(7) By the Act of April 29, 1908, c. 152, 35 Stat. 70, it was provided:

> "That until Congress shall have authorized the reg-

istry as vessels of the United States of vessels owned in the Philippine Islands, the government of the Philippine Islands is hereby authorized to adopt, from time to time, and enforce regulations governing the transportation of merchandise and passengers between ports or places on the Philippine Archipelago.

"Sec. 2. That on and after the passage of this Act the same tonnage taxes shall be levied, collected, and paid upon all foreign vessels coming into the United States from the Philippine Islands which are required by law to be levied, collected, and paid upon vessels coming into the United States from foreign countries.

"Sec. 3. That the provisions of law restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from one port of the United States to another port of the United States shall not be applicable to foreign vessels engaging in trade between the Philippine Islands and the United States."

(8) By the Act of August 5, 1909, entitled "An Act to Raise Revenue for the Philippine Islands, and for other purposes", c. 8, 36 Stat. 130, the congress enacted an entirely separate tariff law. The first section provides:

"That on and after sixty days following the passage of this Act, except as otherwise specifically provided in this Act, there shall be levied, collected, and paid, upon all articles, goods, wares, or merchandise of every kind and class entering the jurisdiction of the Philippine Islands, from any place or places, including the United States and its possessions, and in any manner whatsoever, either with intent to unlade therein, or which, after such entering, are consumed therein, or become incorporated into the general mass of property within said islands, the rates of import duty which are by this Act specifically provided."

Section 12 of that Act provides (36 Stat. at page .):

"Sec. 12. That all articles, except rice, the growth,

product, or manufacture of the United States and its possessions to which the customs tariff in force in the United States is applied and upon which no drawback of customs duties has been allowed therein going to the Philippine Islands shall hereafter be admitted therein free of customs duty when the same are shipped directly from the country of origin to the country of destination: *Provided,* That direct shipments shall include shipment in bond to foreign territory ambiguous to the United States.

(9) It was also provided by the former Organic Act for the Philippine Islands, the "Foraker Act", *supra,* Act of July 1, 1902, c. 1369, Sec. 11, 32 Stat. 691, p. 695:

"Sec. 11. That the government of the Philippine Islands is hereby authorized to provide for the needs of commerce by improving the harbors and navigable waters of said islands and to construct and maintain in said navigable waters and upon the shore adjacent thereto bonded warehouses, wharves, piers, lighthouses, signal and life-saving stations, buoys, and like instruments of commerce, and to adopt and to enforce regulations in regard thereto, including bonded warehouses wherein articles not intended to be imported into said islands nor mingled with the property therein, but brought into a port of said islands for reshipment to another country, may be deposited in bond and reshipped to another country without the payment of customs duties or charges."

(10) It was further provided by Section 84 of the same "Foraker Act", of July 1, 1902 (32 Stat. at p. 711):

"Sec. 84. That the laws relating to entry, clearance, and the manifests of steamships and other vessels arriving from or going to foreign ports shall apply to the voyages each way between the Philippine Islands and the United States and the possessions thereof and all laws relating to the collection and protection of customs duties not inconsistent with the Act

of Congress of March 8, 1902, 'Temporarily to Provide Revenue for the Philippine Islands', shall apply in the case of vessels and goods arriving from said islands in the United States and its aforesaid possessions."

The laws relating to seamen on foreign voyages shall apply to seamen on vessels going from the United States and its possessions aforesaid to said islands, * * *.

The provisions of chapters 6 and 7, Title 48, Revised Statutes, so far as now in force, and any amendments thereof, shall apply to vessels making voyages either way between ports of the United States or its aforesaid possessions and ports in the Islands; and the provisions of law relating to public health and quarantine shall apply in the case of all vessels entering a port of the United States or its aforesaid possessions from said islands, * * *."

(11) Section 1891 of the Revised Statutes (48 U. S. Code, Supp., 1490) provides:

The Constitution and all laws of the United States which are not locally inapplicable shall have the same force and effect within all the organized Territories, and in every Territory hereafter organized as elsewhere within the United States.

(12) Section 6 of the National Bank Act of June 3, 1864, c. 106, 13 Stat. 99, 101, carried forward without change in this respect into Section 5134 of the Revised Statutes (12 U. S. Code, 22) provides in pertinent part:

That the persons uniting to form such an association shall, under their hands, make an organization certificate, which shall specify—

First. The name * * *.

Second. The place where its operations of discount and deposit are to be carried on, *designating the state,*

territory, or district, and also the particular county and city, town, or village.

Third. The amount of its capital stock, and the number of shares * * *.

Fourth. The names and places of residence of the shareholders, and the number of shares held by each of them.

Fifth. A declaration that said certificate is made to enable such persons to avail themselves of the advantages of this act. (*Italics supplied.*)

(13) The last three provisos of Section 41 of the Act of June 3, 1864, *supra,* 13 Stat. at p. 112, as reenacted in Section 5219 of the Revised Statutes, provided:

Nothing herein shall prevent all the shares in any association from being included in the valuation of the personal property of the owner or holder of such shares, in assessing taxes imposed by authority of the State within which the association is located; but the legislature of each State may determine and direct the manner and place of taxing all the shares of national banking associations located within the State, subject only to the two restrictions, that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State, and that the shares of any national banking association owned by non-residents of any State shall be taxed in the city or town where the bank is located, and not elsewhere. Nothing herein shall be construed to exempt the real property of associations from either State, county, or municipal taxes, to the same extent, according to its value, as other real property is taxed.

(14) By Acts of March 4, 1923, c. 267, 42 Stat. 1499, and March 25, 1926, c. 88, 44 Stat. 223, the foregoing Section 5219 of the Revised Statutes was amended so as to read as now (12 U. S. Code, Supp., 548; *italics supplied*):

Sec. 5219. The legislature of each State may determine and direct, subject to the provisions of this section, the manner and place of taxing all the shares of national banking associations *located within its limits.* The several States may (1) tax said shares, or (2) include dividends derived therefrom in the taxable income of an owner or holder thereof, or (3) tax such associations on their net income, or (4) according to or measured by their net income, provided the following conditions are complied with:

1. (a) The imposition by any State of any one of the above four forms of taxation shall be in lieu of the others, except as hereinafter provided in subsection (c) of this clause.

(b) In the case of a tax on said shares the tax imposed shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of such State. * * *

(c) In case of a tax on or according to or measured by the net income of an association, the taxing State may, except in case of a tax on net income, include the entire net income received from all sources, but the rate shall not be higher than the rate assessed upon other financial corporations nor higher than the highest of the rates assessed by the taxing State upon mercantile, manufacturing, and business corporations doing business within its limits. * * *

(15) Meantime by Section 25 of the Federal Reserve Act of December 23, 1913, c. 6, 38 Stat. 251, 273, the Congress had provided:

Sec. 25. Any national banking association possessing a capital and surplus of $1,000,000 or more may file application with the Federal Reserve Board, upon such conditions and under such regulations as may be prescribed by the said board, for the purpose of securing authority to establish branches **in foreign countries or dependencies of the United States** for the furtherance of the foreign commerce of the United States, and to act, if required to do so, as fiscal agents of the United

States. Such application shall specify, in addition to the name and capital of the banking association filing it, the place or places where the banking operations proposed are to be carried on, and the amount of capital set aside for the conduct of its foreign business. The Federal Reserve Board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate, or if for other reasons the granting of such application is deemed inexpedient.

Every national banking association which shall receive authority to establish foreign branches shall be required at all times to furnish information concerning the condition of such branches to the Comptroller of the Currency upon demand, and the Federal Reserve Board may order special examinations of the said foreign branches at such time or times as it may deem best. Every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and its home office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each branch as a separate item.

(16) By the Amendatory Act of September 7, 1916, c. 461, 39 Stat. 752, 755, the foregoing Section 25 was amended by inserting the words "or insular possessions" after the word "dependencies"; and by Section 2 of the Act of September 17, 1919, c. 60, 41 Stat. 285, 286 (12 U. S. Code, 601), the first two sentences were recast so as to read as follows (with further amendments not here pertinent):

Sec. 25. Any national banking association possessing a capital and surplus of $1,000,000 or more may file application with the Federal Reserve Board for permission to exercise, upon such conditions and under such regulations as may be prescribed by the said board, either or both of the following powers:

First. To establish branches in foreign countries

or dependencies or insular possessions of the United States, and to act if required to do so as fiscal agents of the United States.

Second. To invest an amount not exceeding in the aggregate ten per centum of its paid-in capital stock and surplus in the stock of one or more banks or corporations chartered or incorporated under the laws of the United States or of any State thereof, and principally engaged in international or foreign banking, or banking in a dependency or insular possession of the United States either directly or through the agency, ownership, or control of local institutions in foreign countries, or in such dependencies or insular possessions.

Such application shall specify the name and capital of the banking association filing it, the powers applied for, and the place or places where the banking operations proposed are to be carried on. The Federal Reserve Board shall have power to approve or to reject such application in whole or in part if for any reason the granting of such application is deemed inexpedient, and shall also have power from time to time to increase or decrease the number of places where such banking operations may be carried on.

(17) Section 7 of the Internal Revenue Act of March 3, 1865, c. 78, 13 Stat. 469, 484, as carried into Section 5155 of the Revised Statutes, provided:

Sec. 5155. It shall be lawful for any bank or banking association organized under State laws, and having branches, the capital being joint and assigned to and used by the mother-bank and branches in definite proportions, to become a national banking association in conformity with existing laws, and to retain and keep in operation its branches, or such one or more of them as it may elect to retain; the amount of the circulation redeemable at the mother-bank, and each branch, to be regulated by the amount of capital assigned to and used by each.

It was amended by Section 7 of the Act of February 25,

1927, amending the banking laws, c. 191, 44 Stat. 1224, 1228, and further amended by Section 23 of the banking act of 1933 (Act of June 16, 1933, c. 89, 48 Stat. 162, 189-190), so as to read:

Sec. 5155. The conditions upon which a national banking association may retain or establish and operate a branch or branches are the following:

(a) A national banking association may retain and operate such branch or branches as it may have in lawful operation at the date of the approval of this Act, and any national banking association which has continuously maintained and operated not more than one branch for a period of more than twenty-five years immediately preceding the approval of this Act may continue to maintain and operate such branch.

(b) If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated associations may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of the Act.

(c) A national banking association may, with the approval of the Comptroller of the Currency, establish and operate new branches: (1) Within the limits of the city, town or village in which said association is situated, if such establishment and operation are at the time expressly authorized to State banks by the law of the State in question; and (2) at any point within the State in which said association is situated, if such establishment and operation are at the time authorized to State banks by the statute law of the State in question by language specifically granting such authority affirmatively and not merely by implication or recognition, and subject to the restrictions as to location imposed by the law of the State on State banks. No such association shall establish a branch outside of the city, town or village in which it is situated unless it has a

paid-in and unimpaired capital stock of not less than $500,000: *Provided,* That in States with a population of less than one million, and which have no cities located therein with a population exceeding one hundred thousand, the capital shall be not less than one-half million, and which have no cities located therein with a population exceeding fifty thousand, the capital shall not be less than $100,000.

(d) The aggregate capital of every national banking association and its branches shall at no time be less than the aggregate minimum capital required by law for the establishment of an equal number of national banking associations situated in the various places where such association and its branches are situated.

(e) No branch of any national banking association shall be established or moved from one location to another without first obtaining the consent and approval of the Comptroller of the Currency.

(f) The term "branch" as used in this section shall be held to include any branch bank, branch office, branch agency, additional office, or any branch place of business located in any State or Territory of the United States or in the District of Columbia at which deposits are received, or checks paid, or money lent.

(g) This section shall not be construed to amend or repeal section 25 of the Federal Reserve Act, as amended, authorizing the establishment by national banking associations of branches in foreign countries, or dependencies, or insular possessions of the United States.

(h) The words "State bank", "State banks", "bank", or "banks", as used in this section, shall be held to include trust companies, savings banks, or other such corporations or institutions carrying on the banking business under the authority of State laws.

(18) Sections 1654 and 1657 **of the former Philippine Administrative Code of 1916 provided:**

"Sec. 1654. Tax on capital, deposits, and circulation of banks.—Subject to the exemptions herein made there

shall be collected from banks the following taxes on capital, deposits, and circulation:

"(a) Upon the capital employed by the bank, for each month, one twenty-fourth of one per centum.

"(b) Upon the average amount of deposits of money, subject to payment by check or draft, or represented by certificates of deposit, or otherwise, whether payable on demand or at some future day, for each month, one-eighteenth of one per centum.

"(c) Upon the average amount of circulation issued by the bank, including as circulation all notes and other obligations calculated or intended to circulate or be used as money, but not including such as may be retained in the vault of the bank or redeemed and on deposit for said bank, for each month, one-twelfth of one per centum.

"(d) Upon the average amount of such circulation issued as above, being beyond the amount of the paid-in capital of the bank, for each month, and as an additional tax, one per centum.

" 'Bank' as herein used, includes every incorporated or other bank, and every person, association, or company having a place of business where credits are opened by the deposit or collection of money or currency subject to be paid or remitted upon draft, check, or order, or where money is advanced or loaned on stock, bonds, bullion, bills of exchange, or promissory notes are received for discount or for sale.

" 'Capital employed' does not include money borrowed or received from time to time in the usual course of business from any person not a partner of or interested in such a bank; and no tax shall be imposed on the capital employed by any person whose sole business is lending money on real-estate security."

"Sec. 1657. Computing resources of bank incorporated abroad.—The amount of capital used by a bank within the Philippine Islands, when such bank is a branch of a bank incorporated under laws of the United States or a foreign country, shall, for the pur-

poses of assessment hereunder, be determined in the following manner: The total amount of the capital of the bank shall be ascertained, and, likewise, the total amount of the net earnings of the bank accruing during the preceding six months, and also the total amount of the net earnings accruing from the bank's business conducted in the Philippine Islands; and such a proportion of the total capital of the bank shall be deemed to have been employed in the Philippine Islands as the net earnings in the Philippine Islands bear to the total net earnings of the bank.

APPENDIX II

Resume of Territorial Organic Acts before the Spanish War, in relation to extending statutory laws of the United States to the Territories.

(1) In the earlier Organic Acts for the Territories, the Congress did not extend the statutory laws of the United States generally to the Territory; but, instead, extended only such Acts as were particularly named in the Organic Act. Thus:

The Organic Act for the Territory of Orleans and District of Louisiana, Act of March 26, 1804, c. 38, 2 Stat. 283, 285, provided, with reference to the Territory of Orleans thereby created:

"Sec. 7. That the following Acts, that is to say:

"An Act for the punishment of certain crimes against the United States.

"An Act, in addition to an Act for the punishment of certain crimes against the United States.

"An Act to prevent citizens of the United States from privateering ****.

"An Act for the punishment ****.

"An Act respecting fugitives from justice, ****.

"An Act prohibiting the carrying on of the slave trade ****.

"An Act to prevent the importation of certain persons ****.

"An Act to establish the post office of the United States.

"An Act ****.

"An Act ****.

"An Act making provision relative to rations for Indians, *****, *shall extend to, and have full force and effect in the above mentioned Territories.*" (*Italics supplied*).[1]

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[1] The very first Territorial Organic Act after the adoption of the Constitution was the Act of August 7, 1789, c.

(2) The Organic Act for the Territory of Florida, Act of March 30, 1822, c. 13, 3 Stat. 654, contained a similar enumeration, but *with a general provision added.* It provided:

Sec. 9. That the following Acts, that is to say:

"An Act for the punishment of certain crimes ****.

"An Act to provide for the punishment ****.

"An Act in addition to the Act ****.

"An Act for the punishment ****.

"An Act respecting fugitives from justice ****.

"An Act to prohibit the carrying on of the slave trade ****.

8, 1 Stat. 50, for the government of the territory northwest of the River Ohio, enacted merely in order to continue in force the Ordinance of 1787, and to adapt it to the Constitution. That Act contained no express provisions relative to the force of the statutory laws of the United States in the Territory.

The next Act, that of May 26th, 1790, c. 14, 1 Stat. 123, erecting the territory south of the Ohio River, merely provided:

"And the government of the said territory south of the Ohio shall be similar to that which is now exercised in the territory northwest of the Ohio";

and a similar simple provision was made in Section 6 of the next following Act, that for Mississippi Territory, Act of April 7, 1798, c. 28, 1 Stat. 549, 550. The Territories of Indiana, Michigan, Illinois, Missouri, Alabama and Arkansas, being formed by the division of previously existing Territories, the Congress contented itself with continuing in force in those Territories respectively the laws theretofore in force in the parent Territories, without any express provision as to the extension thereto of the statutory laws of the United States. (INDIANA, Act of May 7, 1800, 2 Stat. 58; MICHIGAN, Act of January 11, 1805, 2 Stat. 309; ILLINOIS, Act of February 3, 1809, 2 Stat. 514; MISSOURI, Act of June 4, 1812, 2 Stat. 743; ALABAMA, Act of March 3, 1817, 3 Stat. 371; ARKANSAS, Act of March 2, 1819, 3 Stat. 493).

"An Act in addition to the Act ****.

"An Act to prevent settlements being made on lands ceded ****.

"An Act ****.

"An Act ****.

"An Act ****.

"An Act ****.

"And the laws of the United States relating to the revenue and its collection, subject to the modifications stipulated by the 15th Article of the Treaty ****; *and all other public laws of the United States, which are not repugnant to the provisions of this Act, shall extend to, and have full force and effect in, the Territory aforesaid*".

(3) In the Organic Act for Wisconsin the Congress entirely omitted any enumeration of the particular statutory laws of the United States to be extended to the Territory, and declared broadly (Act of April 20, 1836, c. 54, Sec. 12, 5 Stat. 10, 15):

"Sec. 12. That the inhabitants of the Territory shall be entitled to, and enjoy, all and singular the rights, privileges, and advantages, granted and secured to the people of the Territory of the United States northwest of the River Ohio ****; *and further, the laws of the United States are hereby extended over, and shall be in force in, said Territory, so far as the same, or any provisions thereof may be applicable.*" (*Italics supplied*).

Substantially the same provision was repeated in the Organic Act for the Territory of Iowa, Act of June 12, 1838, c. 96, Sec. 12, 5 Stat. 235, 239; in the Organic Act for the Territory of Oregon, Act of August 14, 1848, c. 177, Sec. 14, 9 Stat. 323, 329; and in that for Minnesota, Act of March 3, 1849, c. 121, Sec. 12, 9 Stat. 403, 407,—in each case without any specific enumeration of any particular federal statutes to be extended to the Territory.

(4) In the Organic Act for the Territory of New Mexico, the first Territory to be organized on the lands acquired by the Mexican War (Act of September 9, 1850, c. 49, Sec. 17, 9 Stat. 446, 452), the Congress went one step further, expressly extending "the Constitution" as well as "all laws of the United States which are not locally inapplicable" to the Territory, — the provision reading:

> "Sec. 17. That the Constitution, and all laws of the United States which are not locally inapplicable shall have the same force and effect within the said territory of New Mexico as elsewhere within the United States."

That provision was repeated in the Organic Act for the Territory of UTAH, Act of September 9, 1850, c. 51, Sec. 17, 9 Stat. 453, 458;[2] in that for COLORADO, Act of February 28, 1861, c. 59, Sec. 16, 12 Stat. 172, 176;[3] in that for NEVADA, Act of March 2, 1861, c. 133, Sec. 16, 12 Stat. 209, 214; for DAKOTA, Act of March 2, 1861, c. 136, Sec.

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[2] The Territory of Washington being carved out of that of Oregon, the Congress contented itself, as in earlier cases, with simply directing that the laws "now in force therein" by virtue of the legislation of Congress in reference to the Territory of Oregon were "continued in force in said Territory of Washington until they shall be repealed or amended by future legislation", without any express provision as to extending federal legislation to this Territory. Act of March 2, 1853, c. 90, Sec. 12, 10 Stat. 172,

[3] The Organic Act for the Territories of Nebraska and Kansas, — "the Kansas Nebraska Act", — of May 30, 1854, c. 59, 10 Stat. 277, was unusual in form, because of the slavery question. It provided, however (Sec. 14, 10 Stat. 282-283): "That the Constitution, and all Laws of the United States which are not locally inapplicable, shall have the same force and effect within the said Territory of Nebraska as elsewhere in the United States, *except*" the "Missouri Compromise" legislation.

16, 12 Stat. 239, 244;[4] for IDAHO, Act of March 3, 1863, c. 117, Sec. 13, 12 Stat. 808, 813; for MONTANA, Act of May 26, 1864, c. 95, Sec. 13, 13 Stat. 85, 91; and for WYOMING, Act of July 25, 1868, c. 235, Sec. 16, 15 Stat. 178.

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[4] The Territory of Arizona being carved out of that of New Mexico, the Congress made no special provision in its Organic Act for extending the statutory laws of the United States to the new Territory; but contented itself with providing that "all legislative enactments of the Territory of New Mexico not inconsistent with the provisions of this Act" should extend to Arizona "until repealed or amended by future legislation", *except* those recognizing the relation of master and slave, and that there should "neither be slavery nor involuntary servitude in the said Territory" otherwise than in the punishment of crime. Act of Feb'y 24, 1863, c. 56, Secs. 2 and 3, 12 Stat. 664.

APPENDIX III

The Acts of the Philippine Legislature creating the Philippine National Bank provide, in pertinent part:

No. 2612.—*An Act creating the Philippine National Bank.*

Section 1. There is hereby created a bank to be known as the Philippine National Bank, the short title of which shall be the National Bank. Its principal domicile and place of business shall be in the city of Manila.

Sec. 3. The capital of the National Bank shall be twenty million pesos, Philippine currency, divided into two hundred thousand shares of the value at par, of one hundred pesos, Philippine currency, each.

Sec. 4. The Government of the Philippine Islands not later than January thirty-first, nineteen hundred and seventeen, shall purchase one hundred and one thousand shares, at par, of the said National Bank, the payment for said shares of the Government to be made as hereinafter provided. Ninety-nine thousand shares of said capital stock shall be offered to the public at par, as hereinafter provided.

Sec. 5. The following sums are hereby appropriated for the payment of the shares to be purchased by the Government of the Philippine Islands.

(a) The sum of one million three hundred thousand pesos which is hereby appropriated out of any funds in the Insular Treasury not otherwise appropriated;

(b) One million pesos, on or before July thirty-first, nineteen hundred and sixteen, and another one million pesos on or before January thirty-first, nineteen hundred and seventeen, which shall be invested from the insurance fund created by Act Numbered Seventeen hundred and twenty-eight, the public works bonds sinking fund, created by Act Numbered Seventeen hundred and twenty-nine, and the friar lands bonds sinking fund, created by Act Numbered Twenty-five hundred and fifty: * * *

Sec. 6. All the assets and liabilities of the Gov-

ernment Agricultural Bank of the Philippine Islands, created under Act Numbered Eighteen hundred and sixty-five, as amended, shall be transferred to the National Bank: *Provided*, That the transfer of the assets of the Agricultural Bank represented by the capital and the net profits thereof shall be made as part payment of the one hundred and one thousand shares subscribed by the Government of the Philippine Islands. This transfer shall be understood as taking place upon the inauguration of the National Bank in conformity with the provisions of section nine of this Act, after which the National Bank shall be subrogated to all the rights, actions and obligations of the Agricultural Bank, and the Agricultural Bank shall thereafter be deemed abolished.

Sec. 8. At no time shall shares be sold to the public if, as a result thereof, the part of the capital stock held by private investors will equal or exceed the part owned by the Government of the Philippine Islands.

Sec. 9. The National Bank shall be inaugurated within one hundred and eighty days from and after the passage of this Act, and the Governor-General shall fix such inauguration by proclamation upon the certificate of the Insular Auditor and the president of the bank that said institution is ready to begin operations.

Sec. 15. The National Bank is hereby authorized to issue real estate bonds in any sum not to exceed ninety per cent of the amount of real estate loans held by said bank, under section ten herein. Said bonds shall be engraved. Said bonds shall be signed by the president of the bank, authenticated by the Insular Auditor * * *.

Sec. 18. Said National Bank is hereby authorized to issue its notes, which said notes shall be known as circulating notes. * * *

Sec. 19. The Philippine National Bank is hereby authorized to receive deposits of funds of the Insular Government, the provinces, municipalities, Post Savings Bank, associations, corporations, and private persons, and it is hereby made obligatory for the aforesaid Insular, provincial, and municipal governments to make their deposits in the National Bank. The interest paid by said bank on deposits so made shall not

exceed four per centum per annum: *Provided, however,* That whenever in the judgment of the Governor-General, it is in the public interest to make deposits from public funds in other banks he is hereby authorized to cause the same to be done under such terms and conditions as he may deem proper.

Sec. 20. The affairs and business of the National Bank shall be managed by a board of directors consisting of the president of the bank, who shall be chief executive thereof and chairman of the board at the same time, one vice-president, who shall assist the president and act in his stead in case of absence or incapacity, and five members elected as hereinafter provided.

The president of the bank shall have power * * *. It shall also be his duty—

(a) To make, * * * all contracts * * *;

(b) To report weekly to the board of directors * * *;

(c) To furnish, upon request of the Governor-General of the Philippine Islands, any information in his possession regarding the operations of said bank.

Sec. 21. The president and vice-president shall be appointed by the Governor-General, by and with the consent of the Upper House of the Philippine Legislature, and may be removed for cause by said Governor-General, by and with the consent of said House. The five remaining members shall be elected and may be removed in accordance with the provisions of Act Numbered Fourteen hundred and fifty-nine, the Corporation Law.

Sec. 24. All the other officers and employees of said National Bank or any branch thereof, shall, before entering upon the performance of their duties, furnish a fidelity bond * * *. For this purpose, all officers and employees of the National Bank shall be deemed public officers and employees respectively, * * *.

Sec. 25. The Attorney General of the Philippine Islands shall be attorney for said National Bank: *Provided, however,* That the board of directors of said bank shall have the power to employ other attorneys in special cases.

Sec. 26. The Insular Auditor shall be *ex officio* auditor of the National Bank and it shall be his duty

to make an examination of the books and the administration of the bank at least once every three months and report thereon to the Governor-General of the Philippine Islands and the board of directors of said bank.

Sec. 27. The National Bank shall be subject to inspection by the Insular Treasurer with regard to its solvency in the manner provided by law.

Sec. 28. The Secretary of Finance and Justice, the Insular Treasurer, and the Insular Auditor are hereby prohibited from owning stock in the National Bank, or from becoming indebted to said National Bank directly or indirectly, in any sum.

Sec. 29. The Insular Treasurer and Auditor or other officers designated by law to inspect or investigate the condition of said National Bank shall not reveal to any person other than the Governor-General and the board of directors the details of the inspection or investigation, nor shall they * * *.

Sec. 33. The said National Bank, by this Act created, may establish not to exceed two branches or agencies in the United States of America, at such points as may be determined upon by the board of directors of the said National Bank. It shall be the function of each of the said agencies—

(a) To receive, transmit and disburse any funds of the Philippine Government payable in the United States.

(b) To receive, transmit and disburse any funds of the United States Government which may be placed on deposit with, or entrusted to it.

(c) To receive, transmit and disburse any funds of individuals, firms, companies or corporations engaged in business with the Philippine Islands, or having interests therein.

(d) To engage in business to the extent permitted by law of the United States with the Federal Reserve Bank of the district in which said branches or agencies may be located, and if and when permitted by law of the United States, to conduct a deposit and discount business with the said Federal Reserve Bank to the extent that conditions may require, under the instruc-

tions of the board of directors of the said National Bank.

Sec. 34. The National Bank may establish branch banks in the provincial capitals and in those municipalities in which, in the judgment of the board of directors, the industrial, commercial, or agricultural movement may require it. * * *

With the authorization of the Governor-General first had, the board of directors may appoint as agents, cashiers or tellers of said banks the provincial or municipal treasurers, * * *.

Sec. 47. All profits assigned as dividends to the shares of the Government shall be paid into the Insular Treasury, for the general funds thereof, and shall be available for any appropriation.

Sec. 48. The legal existence of the Philippine National Bank created by this Act shall be for a period of fifty years, counting from the day on which it began officially its operations. This period may be extended for fifty years more by an Act of the Philippine Legislature.

Sec. 49. All banks not organized and transacting business under a charter granted by the Philippine Legislature expressly exempting them from the restrictions and penalties of this section, and all persons or corporations doing the business of bankers, brokers, or savings institutions, are prohibited from using the word "national" as a portion of the name or title of such bank, corporation, firm or partnership; and any violation of this prohibition committed after ninety days subsequent to the date of enactment of this Act shall subject the party chargeable therewith to a penalty of not less than one hundred pesos for each day during which it is committed or repeated.

Sec. 50. For a period of six months from and after the enactment of this Act, the president, with the approval of the board of directors of the National Bank, may, with the prior approval of the proper head of Department in which such official or employee is employed, require the services of any official or employee of the Insular or provincial governments for the purpose of assisting in the organization of the National Bank: * * *

Sec. 54. This Act shall take effect on its passage. *Enacted,* February 4, 1916.

No. 2747.—*An Act to amend in certain particulars Acts Numbered Twenty-six hundred and twelve, entitled "An Act creating the Philippine National Bank."*

Section 1. In order to explain certain provisions, increase the stability of the institution, and extend its powers. Act Numbered Twenty-six hundred and twelve, entitled, "An Act creating the Philippine National Bank," is hereby amended in certain particulars, so that hereafter the said Act shall read as follows:

"Sec. 51. The Philippine National Bank is hereby authorized to guarantee, both as to principal and interest, or either, bonds issued by duly incorporated companies for the erection of and addition or additions to industrial plants or manufactories principally used for the manufacture and preparation of the products of the Philippine Islands: *Provided, however,* That such guarantee shall only be lawful when approved by a committee composed of the Governor-General of the Philippine Islands and the Presiding Officers of the two Houses of the Philippine Legislature.

"Subject to the same approval, the National Bank is hereby authorized to purchase bonds issued by any duly incorporated company engaged in the manufacture or preparation of products of the Philippine Islands. Such bonds shall be secured by a first mortgage or deed of trust on the property of the company. The face value of the bonds issued and secured by such mortgage or deed of trust shall not exceed sixty per cent (60%) of the fair value of the property securing the bonds. The property serving as security for the bonds shall consist of land, buildings, machinery, and equipment of such company in the Philippine Islands."

Sec. 2. This Act shall take effect on its approval. *Approved,* February 20, 1918.

No. 2938.—*An Act to amend Act Numbered Twenty-six hundred and twelve, entitled, "An Act creating the Philippine National Bank," as amended*

by Act Numbered Twenty-seven hundred and forty-seven.

Section 1. Act Numbered Twenty-six hundred and twelve, entitled, "An Act creating the Philippine National Bank," as amended by Act Numbered Twenty-seven hundred and forty-seven, is hereby amended in certain particulars, so that hereafter the said Act shall read as follows:

"Section 1. There is hereby created a bank to be known as the Philippine National Bank, the short title of which shall be the National Bank. Its principal domicile and place of business shall be in the city of Manila.

"Sec. 2. • • •

"Sec. 3. The National Bank is hereby authorized to increase its capital from twenty million pesos, Philippine currency, to fifty million pesos, Philippine currency, and may for this purpose make a new issue of three hundred thousand shares of stock, which shall be denominated the second issue, at the par value of one hundred pesos, Philippine currency, each. —

"Sec. 4. The Government of the Philippine Islands, not later than June thirtieth, nineteen hundred and twenty-one, shall purchase all remaining shares of the first issue and part of those of the second issue to the aggregate number of not less than one hundred and fifty-three thousand, at par, the payment of the said shares of the Government to be made as hereinafter provided. The remaining shares may be offered to the provincial and municipal governments or to the public at a price not below par which the board of directors of the Bank shall from time to time determine: *Provided,* That the Government of the Philippine Islands, upon agreement with the board of directors of the Bank, may at any time after June thirtieth, nineteen hundred and twenty-one, purchase all or part of the stock on hand at a price not below par.

"The voting power of all the stock of the National Bank owned and controlled by the Government of the Philippine Islands shall be vested exclusively in a board, the short title of which shall be 'Board of Con-

trol,'* composed of the Governor-General, the President of the Senate, and the Speaker of the House of Representatives.

"Sec. 5. There are hereby appropriated, out of any funds in the Insular Treasury not otherwise appropriated, such sums as may be necessary for the payment of the shares to be purchased by the Government of the Philippine Islands: *Provided,* That the capital and surplus of the Agricultural Bank of the Philippine Islands shall be applied primarily to said payment: *And provided, further,* That no sum shall be set up on the books of the Auditor until it shall be necessary to make the payment or payments authorized by this Act.

No. 3174.—*An Act to rehabilitate the Philippine National Bank, making certain appropriations for this purpose and amending the Charter of said Bank contained in Act Numbered Twenty-six hundred and twelve, as amended, and for other purposes.*

Section 1. The authorized paid-up capital stock of the Philippine National Bank is hereby reduced to one hundred thousand shares of the value at par of one hundred pesos each, which number shall include the shares at present held by the public: *Provided,* That the Bank may purchase the shares held privately at the price at which they were quoted on the date of the registration of the sale in the books of the Bank, provided such price does not exceed their value at par. The Board of Directors, with the approval of the Secretary of Finance, shall determine what was the price so quoted. No stock shall be sold to the public hereafter.

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* This voting provision was held invalid by this court, holding that the voting power, an executive function, is in the Governor-General. *Springer* vs. *Gov't of the Philippine Islands,* 277 U. S. 189, 197 *et seq.* 209.